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Trust Us, CIA's No. 2 Man Tells Hometown Audience

By WILLIAM H. WYLIE
Press Business Editor

Like the spy who came in from the cold, the CIA's No. 2 man returned home to make a pitch for the intelligence agency's credibility.

Much of the adverse publicity about the CIA in the past few years is "false or exaggerated," E. Henry Knoche, deputy director of the Central Intelligence Agency, told the Purchasing Management Association of Pittsburgh last night.

It was a homecoming for Knoche, who was acting director of the CIA between the resignation of George Bush and the appointment of Adm. Stansfield Turner as head of the intelligence agency.

Knoche is a graduate of Mt. Lebanon High School and Washington and Jefferson College and a former student at Bethany College. His family still resides in the Pittsburgh area.

Knoche conceded the CIA has been hurt by Watergate-inspired stories about abuses of authority. And he admitted there were some shabby episodes.

But he left little doubt that the agency is out to sell the public on the idea that intelligence is a respectable business, one the nation cannot afford to do without.

"A couple years ago I wouldn't have been here talking to a meeting of business executives," he told a newsman before the banquet. But times have changed and the CIA is trying to repair a bruised image, he added.

Knoche said there's a healthy side effect of the hard knocks suffered by CIA in recent years. "No government agency should escape public scrutiny for 30 years as the CIA did," he declared.

"We were forced into self-analysis, to examine what intelligence really is," he continued.

"As a result, we have new guidelines and among them is a responsibility to meet the public and the media," he said.

One of the issues raised by Watergate is how to operate an intelligence agency without letting it get out of control, Knoche said. Time will tell whether the new guidelines set by Congress are the solution, he added.



The public has the wrong idea about the CIA, Knoche said. Fiction, television and the movies play up sex and cloak-and-dagger activities, he continued.

"James Bond provides more clandestine opportunities in one page than I've had in 24 years," he quipped.

The bleak report on the world's energy outlook revealed last week is typical of CIA work, he said. Although the fact that the CIA made the study, which is expected to influence President Carter's energy policy, surprised a lot of people, Knoche said the agency has handled this kind of assignment routinely for years.

In fact, the CIA has an Office of Economic Research that will provide businessmen with information upon request, he revealed.

Knoche said the CIA is willing to tell more about itself than ever before, but there are some things that cannot be told. Foremost is information about its intelligence-gathering network. The agency is obligated by law to keep this secret, he said.

So-called covert activity in foreign lands has fallen into disfavor, Knoche observed. These are attempts by the CIA to give developments abroad a pro-U.S. twist, he explained.

"During the worst part of the cold war, 50 per cent of our budget was spent on covert activity. Now it accounts for 2 per cent," he said.

One of the problems is that seven congressional committees must approve before any covert action can be initiated, Knoche said. "After seven congressional committees have studied an activity, it's no longer covert," he added.

Despite new shackles imposed on the CIA, Knoche said the agency is superior to Russian intelligence and well equipped to alert the United States to foreign threats.

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